



# CONGRESSIONAL BUDGET OFFICE

## COST ESTIMATE

September 28, 2004

### **S. 878**

#### **An act to create additional federal court judgeships**

*As ordered reported by the House Committee on the Judiciary on September 9, 2004*

#### **SUMMARY**

S. 878 would authorize 47 additional district court judges and 11 additional circuit court judges. Based on information from the Administrative Office of the United States Courts (AOUSC), CBO estimates that implementing the act would cost \$225 million over the 2005-2009 period for court staff salaries and benefits, supplies, security, and the rent or construction of office space to support the additional 58 judges. We also estimate that enacting the legislation would increase direct spending by \$3 million in 2005, by \$40 million over the 2006-2009 period, and by \$90 million over the 2006-2014 period for the salaries and benefits of the judges that would be authorized by the act. Enacting S. 878 would not affect revenues.

S. 878 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

#### **ESTIMATED COST TO THE FEDERAL GOVERNMENT**

The estimated budgetary impact of S. 878 is shown in the following table. The costs of this legislation fall within budget function 750 (administration of justice).

	By Fiscal Year, in Millions of Dollars				
	2005	2006	2007	2008	2009
<b>CHANGES IN SPENDING SUBJECT TO APPROPRIATION</b>					
Estimated Budget Authority	8	87	42	43	45
Estimated Outlays	8	52	70	50	45
<b>CHANGES IN DIRECT SPENDING</b>					
Estimated Budget Authority	3	7	10	10	10
Estimated Outlays	3	7	10	10	10

## **BASIS OF ESTIMATE**

CBO estimates that enacting S. 878 would increase direct spending by \$90 million over the next 10 years for salaries and benefits of the additional district and circuit court judges that would be authorized by the legislation. In addition, we estimate that implementing the act would cost \$225 million over the 2005-2009 period for court staff salaries and benefits, supplies, security, and the rent or construction of office space to support the 58 additional judges, subject to appropriation of the necessary amounts. For this estimate, CBO assumes that all judges authorized under the bill would be approved by the beginning of fiscal year 2007.

### **Direct Spending**

S. 878 would authorize 47 additional district court judges and 11 additional circuit court judges. Because the salaries and benefits of such judges are considered mandatory, adding more judges would increase direct spending. Under current law, district judges receive \$158,100 and circuit court judges receive 167,600 annually. CBO estimates that enacting the legislation would increase direct spending by \$3 million in 2005, \$7 million in 2006, and \$10 million each year thereafter for the salaries and benefits of the additional 58 judges that would be authorized under the act. Adjustments in the annual salary for judges is subject to future Congressional action.

## **Spending Subject to Appropriation**

CBO expects that each additional judge authorized by this legislation would require the same amount of staff support, supplies, security, and office space as current district and circuit court judges consume. Based on information from the AOUSC, CBO estimates the courts would need to hire an average of five support staff for each judge, construct expanded court facilities, and rent larger office space to accommodate the additional judges and staff. In addition, the courts would be required to conduct background checks, purchase lawbook subscriptions and furniture, and expand telephone systems. CBO estimates that implementing the legislation would cost \$225 million over the 2005-2009 period, and \$473 million over the 2004-2014 period, subject to appropriation of the necessary amounts.

## **INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT**

S. 878 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

## **PREVIOUS CBO ESTIMATE**

On June 26, 2003, CBO transmitted a cost estimate for S. 878 as passed by the Senate on May 22, 2003. The Senate version of this act would add 14 additional district court judges and 36 additional bankruptcy judges, and the cost estimates reflect this difference.

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